

City of Las Vegas

REDEVELOPMENT AGENCY AGENDA REDEVELOPMENT AGENCY MEETING OF: JULY 20, 2005

- CALL TO ORDER

MINUTES:

CALLED TO ORDER BY CHAIRMAN GOODMAN AT 10:00 A.M.

PRESENT: CHAIRMAN GOODMAN and MEMBERS REESE, BROWN, WEEKLY, WOLFSON, TARKANIAN, and ROSS

ALSO PRESENT: STEVE HOUCHEWS, Acting Executive Director, BRAD JERBIC, City Attorney, and BARBARA JO RONEMUS, Secretary

- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

ANNOUNCEMENT MADE: Posted as follows:

City Clerk's Bulletin Board, City Hall Plaza, 2nd Floor Skybridge

Court Clerk's Office Bulletin Board, City Hall Plaza

Las Vegas Library, 833 Las Vegas Boulevard North

Clark County Government Center, 500 So. Grand Central Parkway

Grant Sawyer Building, 555 E. Washington Avenue

(10:00)

1-1992

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: JULY 20, 2005

DEPARTMENT: BUSINESS DEVELOPMENT

DIRECTOR: SCOTT D. ADAMS

CONSENT DISCUSSION

SUBJECT:

APPROVAL OF THE MINUTES BY REFERENCE FOR THE MEETING OF JUNE 1, 2005

Fiscal Impact:

<input checked="" type="checkbox"/>	No Impact	Amount:
<input type="checkbox"/>	Budget Funds Available	Dept./Division:
<input type="checkbox"/>	Augmentation Required	Funding Source:

PURPOSE/BACKGROUND:

RECOMMENDATION:

BACKUP DOCUMENTATION:

None

MOTION:

REESE - APPROVED by Reference - UNANIMOUS with ROSS abstaining because he was not present for the subject meeting

MINUTES:

There was no discussion.

(10:00 - 10:01)

1-2002

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: JULY 20, 2005

DEPARTMENT: BUSINESS DEVELOPMENT**DIRECTOR:** SCOTT D. ADAMS CONSENT DISCUSSION**SUBJECT:**

RESOLUTIONS:

RA-8-2005 - DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION APPROVING THE TAX INCREMENT FINANCING (TIF) PROGRAM APPLICATION PROCEDURE - WARDS 1, 3 AND 5 (TARKANIAN, REESE AND WEEKLY)

Fiscal Impact:

<input checked="" type="checkbox"/> No Impact	Amount:
<input type="checkbox"/> Budget Funds Available	Dept./Division:
<input type="checkbox"/> Augmentation Required	Funding Source:

PURPOSE/BACKGROUND:

The TIF Program proposes a two-tiered review and approval process for high-rise commercial, residential, and mixed-use development projects within the Downtown Centennial Plan area (Downtown Overlay District, Title 19.06.060) and the Redevelopment Plan area. The fundamental principle that makes tax increment financing viable is that it is designed to encourage development that would not otherwise occur.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Resolution No. RA-8-2005
2. Tax Increment Financing Program Application Procedure, including attachments

MOTION:**REESE - APPROVED as recommended - UNANIMOUS****MINUTES:**

SCOTT ADAMS, Director, Office of Business Development, explained that this matter could have been handled administratively; however, given the unique nature of the proposed process, staff wanted the Agency's endorsement. The Agency recently considered a policy for TIF rebates for high-rise condominium projects in the redevelopment area, and then, shortly thereafter, approved a rebate on an owner participation agreement for the Allure project.

Subsequently, staff reviewed the policy to see how the policy and procedure could include an incentive in the redevelopment process. Staff proposes a two-step process where the applicant would come forward before the Agency members with a comprehensive application for a TIF rebate. The members would evaluate the application and determine whether to approve the application, with the requirement to bring forward an owner participation agreement in the second step of the process. Approval would carry conditions, which, if met under the owner participation agreement, would qualify the developer for a high likelihood of final approval. Once the developer is ready to move forward with an owner participation agreement, staff would bring it back before the Agency members for final approval. This process allows the developer to know that there is a high likelihood of approval in the future, which could be used as a mechanism to obtain project financing and to get necessary affairs in order before reappearing before the Agency.

City of Las Vegas

Agenda Item No. 2

REDEVELOPMENT AGENCY MEETING OF: JULY 20, 2005

MINUTES - Continued:

On a side note, MR. ADAMS indicated that one of his previous concerns about TIF rebates, especially with high-rise condominiums, is that the City might be setting a precedent for a lot of projects. However, staff is finding out from conversations with developers that this is not the case. Under State Redevelopment Law, a developer is required to pay prevailing wages on any incentive provided in an amount greater than \$100,000. This is having an inhibiting effect on the use of TIF rebates. With the rising cost in construction, most developers do not want to request the TIF rebate, because the increase in the project due to prevailing wages is overcoming the incentive that could be received through the TIF rebate program. Thus, the TIF rebate program will probably be used on a very selective basis by developers that can get their arms around the increased cost due to prevailing wages. He cited the example of Allure, where the developer used a pension fund to finance the project.

MR. ADAMS noted that the proposed two-step process would be very effective and serve as an incentive to the developer.

(10:01 - 10:05)

1-2023

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: JULY 20, 2005

DEPARTMENT: BUSINESS DEVELOPMENT**DIRECTOR:** SCOTT D. ADAMS CONSENT DISCUSSION**SUBJECT:**

PUBLIC HEARING AND POSSIBLE ACTION REGARDING A PURCHASE AND SALE AGREEMENT WITH SREIMLK & WASHINGTON, LLC, A LIMITED LIABILITY COMPANY, FOR THE PURCHASE OF 904 NORTH MARTIN LUTHER KING BOULEVARD (THE NORTHEAST CORNER OF MARTIN LUTHER KING BOULEVARD AND WASHINGTON AVENUE) APN 139-28-604-008 (\$850,000 RDA SPECIAL REVENUE FUND) - WARD 5 (WEEKLY)

Fiscal Impact:

<input type="checkbox"/>	No Impact	Amount:	\$850,000.00
<input checked="" type="checkbox"/>	Budget Funds Available	Dept./Division:	OBD/RDA
<input type="checkbox"/>	Augmentation Required	Funding Source:	RDA Special Revenue Fund

PURPOSE/BACKGROUND:

The subject parcel is currently vacant and within an area possibly to be designated as a redevelopment target corridor for commercial, residential infill, and mixed-use developments. Martin Luther King Boulevard will be widened by the city in the near future giving better connectivity to downtown and enhanced access to West Las Vegas. The site is well situated for future development and could serve as a catalytic development parcel in the future.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Purchase and Sale Agreement
2. Public Hearing Notice

MOTION:

WEEKLY - APPROVED as recommended - UNANIMOUS

MINUTES:

CHAIRMAN GOODMAN declared the public hearing open.

SCOTT ADAMS, Director, Office of Business Development, reviewed the information under the Subject and Purpose/Background sections. This property could be used for the widening of Martin Luther King Boulevard or by any potential businesses that might relocate as a result of the widening of Martin Luther King. At the same time, it is a corner parcel that is large enough to be developed in a number of possibilities consistent with C-1 zoning. The proposed purchase price is at the very low end of the range for the area. Staff feels it is a wise investment and recommends approval.

BEATRICE TURNER, West Las Vegas resident, asked what is going to be done with the property as soon as it is acquired. Currently, the property is just sitting there fenced and with debris. MR. ADAMS answered that the City will maintain the property in a decent, safe, and sanitary condition, as with all Redevelopment Agency assets. It will probably be held, pending the outcome of the widening of Martin Luther King Boulevard. Staff will then move forward with a plan for redevelopment, which could be anywhere from a branch bank to a small restaurant.

City of Las Vegas

Agenda Item No. 3

REDEVELOPMENT AGENCY MEETING OF: JULY 20, 2005

MINUTES - Continued:

MS. TURNER asked if the fence will come down. MR. ADAMS replied that the property will be kept in good condition. The fencing will have to be evaluated for potential liabilities. MS. TURNER mentioned that the rumor in the neighborhood is that the fence will come down after purchase by the City so that the nearby barbershop can use it for parking. She pointed out that the barbershop owner already owns property behind the shop which should be paved and used for parking. She hopes this property is not going to be used as a parking lot or for a car wash. The community wants a business on that property.

Finally, MS. TURNER asked when the property value went up to \$850,000. The last time it was appraised it came in at \$500,000. MR. ADAMS answered that the property was not appraised. Staff researched comps using available databases for availability of comparable prices to justify the cost of the actual purchase price of the property. MS. TURNER could not understand how the City could move forward with spending taxpayer dollars without having the property appraised, which is exactly how the County got into trouble with the airport property.

MEMBER REESE said this is a very valuable piece of land, and the City is getting a very good price.

Discussion concluded with a motion and vote by the Council, thereby closing the public hearing.

(10:05 - 10:12)

1-2218

City of Las Vegas

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: JULY 20, 2005

CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE REDEVELOPMENT AGENCY. NO SUBJECT MAY BE ACTED UPON BY THE REDEVELOPMENT AGENCY UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

MINUTES:

BEATRICE TURNER, West Las Vegas resident, cautioned that a business better go on the property discussed under Item 3.

(10:12 - 10:14)

2-2539

THE MEETING ADJOURNED AT 10:14 A.M.

Respectfully submitted:

Gabriela Portillo-Brenner, Deputy City Clerk
August 5, 2005

Barbara Jo Ronemus, Secretary